Government of Saskatchewan

Annual Report 2003-2004

Saskatchewan Northern Affairs

Saskatchewan Centennial 2005

104-06830/

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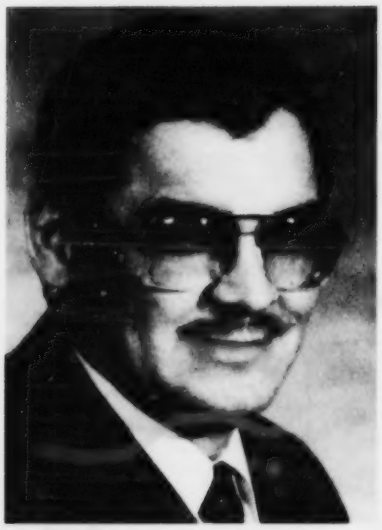
This annual report is also available in electronic format from the department's web site at http://www.northern.gov.sk.ca/index.html

Letters of Transmittal



The Honourable Dr. Lynda M. Haverstock
Lieutenant Governor of Saskatchewan
Province of Saskatchewan

Your Honour:

It is my honour to respectfully submit the Annual Report of the Office of Northern Affairs for the fiscal year ending March 31, 2004.

Buckley Belanger
Minister of Northern Affairs

Honourable Buckley Belanger
Minister of Northern Affairs

Dear Sir:

I am submitting the Annual Report of the Office of Northern Affairs for the fiscal year ending March 31, 2004.

I commend the staff of Northern Affairs for their efforts in improving social and economic development in northern Saskatchewan.

Respectfully submitted,

Glenn McKenzie
A/Deputy Minister

Introduction

Saskatchewan Northern Affairs' (SNA) 2003-2004 Annual Report describes the department's results for key actions and performance measures published in our 2003-2004 Performance Plan[1] released in July 2003. The results are also associated with key actions included in *Our Plan for 2003-2004*[2], the government-wide plan released with the 2003-2004 budget.

The continuing improvements shown in the Annual Report are tied to the ongoing implementation of Government's Accountability Framework. The 2000-2001 budget address announced that government would implement a new accountability framework over the next few years "giving Saskatchewan people solid reference points by which to judge the performance of their government."

The 2003-2004 Annual Report builds on the report released last year. Key enhancements to this year's report include fuller analyses and discussion of, and impact of external risks on, performance results, the contributions of third party partners in achieving results, and progress on performance measures. This year, financial disclosures contain a clearer explanation of variances between budgeted and actual expenditures, and impacts on performance results.

Reporting on financial and performance actual year-end results compared to the 2003-2004 Performance Plan increases accountability to the citizens we serve and improves their ability to assess our performance. Next year, 2004-2005 actual year-end performance results will be compared to the department's 2004-2005 Performance Plan[3] released with the provincial budget on March 31, 2004.

[1] http://www.northern.gov.sk.ca/affairs/AnnualReport2002_2003.pdf
[2] http://www.gov.sk.ca/finance/budget/budget03/ourplan.pdf
[3] http://www.northern.gov.sk.ca/snaperformanceplan2004_2005.pdf

Who We Are

Mandate
The mandate of Saskatchewan Northern Affairs (SNA) is to promote the social and economic development of northern Saskatchewan communities in partnership with the federal government and northern communities by supporting regional development and development of businesses and industries, and coordinating government activities in the Northern Administration District (NAD) of Saskatchewan

A map of the NAD is found in Appendix B.

Vision
Northern residents and communities will have opportunities to improve their quality of life and increase their self-reliance. With a greater capacity to create a viable social and economic future for themselves, northerners will take a greater role in the social and economic development of their communities and their regions.

Overall Responsibilities

- Lead the cross-governmental Northern Strategy and coordinate interdepartmental activities;
- Develop policies and advise provincial government departments on responses to initiatives and issues in the North;
- Deliver economic development programming and services in the Northern Administration District;
- Assist the development of key sectors of the northern economy (e.g. mining, forestry, tourism, fisheries);
- Broker and coordinate among departments, communities, and industry to resolve issues and to better capture northern opportunities;
- Provide integrated provincial government communications to northerners;
- Administer northern mineral surface leases; and,
- Manage the Northern Mines Monitoring Secretariat (NMMS) and Environmental Quality Committee (EQC) program that monitors northern uranium mining developments and operations.

Programs and Services Delivered
** Refer to Appendix D for more information.*

Northern Strategy Leadership and Coordination
Includes coordinating, organizing, and providing logistical and administrative support to the Northern Strategy Deputy Ministers' Forum, Assistant Deputy Ministers' Steering Committee, and task teams; facilitating and coordinating the ongoing refinement of a strategic plan; and, monitoring the on-going results.

Northern Development Accord and Agreement*
Saskatchewan Northern Affairs plans and leads the delivery of investments under the Northern Development Agreement (NDA) on behalf of the provincial government, in conjunction with federal government and northern partners.

Northern Policy/Program Advisory, Advocacy, and Communication Services – SNA provides advice and assistance to other departments in the development of strategies, policies, plans, programs, and services to ensure northern interests are served and to advance goals under the Northern Strategy. SNA is involved in provincial cross-governmental and inter-departmental strategies and initiatives, facilitates provincial government communications with northerners on various policy issues, and provides communication on initiatives beyond the scope of the department's core programs, including those offered by other departments.

Northern Development Fund (NDF)* –SNA delivers economic development programs and business development services.

Commercial Fishing Price Support and Freight Subsidy Program* – Provides financial support for the commercial fishing industry in northern Saskatchewan through two components - a freight subsidy and a price support mechanism.

Regional Planning – SNA provides organizational, technical, and advisory support services to five Regional Development Corporations (RDCs), including their development of operating plans, budgets, and projects. SNA provides strategic and developmental assistance to economic sector associations, actively

participates in inter-departmental and interagency forums, representing economic and business development interests in northern Saskatchewan, and provides referrals to other programs and services.

Business Support Services – SNA provides business support services to northern entrepreneurs, businesses, co-operatives, community development corporations, and other organizations. These services include identification and evaluation of business opportunities, business plan development, organizational development, management counseling, business skills training, and other advisory services.

Co-op Development Support Services – SNA provides support services to assist northern co-operatives in organization development, establishment of policies, planning, legislative compliance, project development, and key sector strategies. SNA provides support for the re-organization and revitalization of commercial fisheries co-operatives as part of the provincial fisheries strategy.

Mineral Surface Lease Agreements* – Negotiation and ongoing administration, with other provincial departments and mining companies, of 14 Surface Lease Agreements for northern mines.

Northern Mines Monitoring Secretariat* – Saskatchewan provincial agency, co-chaired by SNA, dedicated to acquiring and disseminating information about Saskatchewan's uranium mining industry and coordinating activities of the 32[4] member community Northern Saskatchewan Environmental Quality Committee. Membership of the NMMS includes provincial departments with a role in the uranium industry, and federal departments.

Structure and Organization
As of March 31, 2004, SNA had a total staff complement of 35.6 full-time equivalents (FTEs). SNA has permanent offices in Regina and La Ronge with field offices in Creighton, Buffalo Narrows, and Saskatoon. Most SNA staff work in the NAD. SNA has six units: 1) Regional Development; 2) Program and Financial Services; 3) Resource and Industry Development; 4) Planning and Performance Management; 5) Communications; and, 6) Business and Human Resource Management.

SNA's organizational chart is found in Appendix A.

Organizational Changes
Major organizational changes in 2003-2004 included:

- On April 1, 2003, Saskatchewan Northern Affairs became a stand-alone department rather than a subvote under Saskatchewan Industry and Resources (SIR). SIR still provides SNA with some financial and personnel administrative support;
- SNA's budget increased in 2003-2004 by 20% from 2002-2003 to provide funding related to the NDA and proposed abandoned uranium mines clean-up project.

[4] Two communities still need to identify member(s) to represent them on the EQC.

2003-2004 Results at a Glance

Summary of Performance Results
The department responded to many of the challenges facing northerners in 2003-2004. Highlights of significant performance results and areas to strengthen are presented here:

Key Results:

✓ *Good results* ❍ *Areas to strengthen*[5]

Self-Reliant Residents and Communities in the North

- ✓ Active involvement of the Northern Development Board Corporation (NDBC) in implementing the NDA.
- ✓ Fully operationalized five new Regional Development Corporations.
- ✓ Arranged for EQC involvement in seven mine site visits, including four uranium mine operating license renewal decision making processes.
- ✓ Helped create or maintain an estimated 180 jobs with $1.066 million NDF loan funding.
- ✓ All northern regions and approximately 75% of northern communities are represented on SNA boards and committees.
- ❍ Continued support to develop a northern tourism strategy with the Northern Tourism Task Team and Tourism Saskatchewan.

A Viable and Sustainable Northern Economy

- ✓ Administered 14 mineral surface lease agreements.
- ✓ With Saskatchewan Agriculture, Food, and Rural Revitalization, assisted in delivering 16 non-timber forest product harvesting workshops for 310 participants.
- ✓ Contracted safety improvements at the abandoned Gunnar uranium mine site.
- ✓ Approved 30 more NDF primary production loans in 2003-2004 compared to 2002-2003.
- ❍ Approved 114 NDF loans totaling $1.066 million of available $2.5 million funds. In 2003-2004, other lending agencies also experienced reduced activity.
- ❍ Continued support for the Saskatchewan Commercial Fisheries Ltd.'s (SCFL) development of a Saskatchewan-based fish processing facility in Prince Albert.

Responsive and Effective Government in the North

- ✓ The Northern Development Agreement's Tripartite Management Committee approved eight projects to receive $2.7 million in NDA funding.
- ❍ Produced 21 *Northern Focus* radio shows and one *Northern Focus* newsletter.
- ✓ Produced a combined total of 144 *"You Were Asking"* radio slots in Cree, Dene, English.
- ✓ Provided NMMS/EQC inserts in all five issues of *Opportunity North*.
- ✓ Delivered 20 presentations to northern communities to share SNA's strategic direction and to hear northern leaders' concerns.
- ✓ Conducted focus testing to research perceptions of and attitudes toward SNA's programs and initiatives.
- ✓ Administered the NDA with the NDBC, and other provincial and federal departments.
- ✓ As part of the Northern Development Ministers' Forum, participated in developing a Northern Awareness Enhancement information package, to be released in early 2004-2005.

Summary of Financial Results
In 2003-2004, SNA's budget was $5.519 million. Total expenditures were $4.886 million, or $633,000 under budget. The variance was predominantly due to underspending related to the Northern Development Agreement and the proposed abandoned uranium mines clean-up project.

Summary of actual expenditures (in thousands of dollars):

Description	Amount
Personal Services	2,007
Travel[6]	375.8
Transfers	1,137.1
Supplier Payments	
- Contract Services	257.7
- Communications	63.9
- Supplies and Services	41.4
- Equipment and Other Assets	139.4
Other Expenditures	865.6
Total	**4,886**

[5] Performance less than expected in 2003-2004

[6] Includes travel expenses for Northern Review Board (NRB), Northwest Regional Development Council (NWRDC), Environmental Quality Committee (EQC), and the Minister's Office

2003-2004 Performance Results

This section provides detailed performance results for all key actions and performance measures as published in SNA's 2003-2004 Performance Plan. The key actions originally presented in our 2003-2004 plan are listed, followed by a report on our actual progress for each key action. Actual results information is included for all key actions and performance measures that were published in our 2003-2004 Performance Plan. The detailed reporting is complete and consistent with the original plan.

Further information about the department's performance measures is available within the 2003-2004 Performance Plan and is available online[7].

Goal 1 - Self-reliant residents and communities in the North

Objective 1 - Greater local involvement in resource, industrial, and regional economic development planning and decision-making in the North

Opportunities exist to develop the northern economy. It is important that northerners are active participants in such developments, that they express their viewpoints and concerns regarding decisions that affect them, and that development in the North reflects northerners' needs and perspectives. As northerners become increasingly more involved in matters affecting them, opportunities exist to build capacity so northerners can better shape their own future.

Overall, SNA made marked progress in advancing this objective. All regions of the North, and approximately 75% of northern communities, are represented on SNA's boards and committees.

Key highlights of 2003-2004 include: the establishment of Regional Development Corporations (RDCs) to lead in regional and business development activities; active involvement of the NDBC in establishing the NDA delivery framework and identifying projects to receive funding; and, continued involvement of the EQC in monitoring the development and regulation of the uranium industry such as through mine site visits, reviewing partial surface lease surrenders, and providing inputs into mine operating license renewal decision-making processes.

Key Results

- **Provide advice on the implementation of the Northern Development Board Corporation (NDBC).** [2003-2004 planned result]

  To support the implementation of the NDBC, SNA:

  - Provided advice to the NDBC on the development of the Board's draft strategic plan.
  - Provided $75,000 in core operational funding to the NDBC, to match similar federal support.

- **Fully operationalize new Regional Development Corporations (RDCs) to replace community-based organizations (CREDOs) — and support their effective involvement in regional economic development planning and decision-making.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]

  Five RDCs[8] were created to enhance regional and business opportunities in the North. To support the operationalization of RDCs, SNA:

  - Amended *The Northern Economic Development Regulations* to formally replace CREDOs with RDCs.
  - Assisted their development of annual work plans and recruitment of managers (for some) to lead regional development activities, and provided technical advice on economic development activities and projects undertaken by the RDC.
  - Provided a total of $264,000 in core funding to the five RDCs.

SNA will continue to provide organizational, technical, and advisory support to the RDCs in 2004-2005.

[7] http://www.northern.gov.sk.ca/affairs/AnnualReport2002_2003.pdf

[8] 1) Athabasca Economic Development and Training Corporation (AEDTC); 2) Central Cree Economic Development Corporation (CCEDC); 3) Creighton Regional Development Corporation (CRDC); 4) Northeast Economic Development Association (NEDA); 5) Woodlands and Waterways Regional Development Corporation (WWRDC).

2003-2004 Performance Results

- **Provide direct organizational, technical, and advisory support to regional economic development corporations and wider community-based groups in areas of organizational development, commercial ventures planning, and regional/sectoral planning.** [2003-2004 planned result]
  - Provided ongoing assistance and advice related to regional and sectoral planning to Northwest Regional Development Council (NWRDC), Saskatchewan Co-operative Fisheries Limited, Northern Saskatchewan Tourism Inc., Fur Block P004 and Montreal Lake (trapping), and Saskatchewan River Sturgeon Management Board.
- **Develop a northern tourism strategy framework in conjunction with the Northern Tourism Task Team (NTTT) to set the foundations for more integrated tourism planning and development in the NAD. Implement community/regional tourism planning models in four pilot communities that have expressed interest in undertaking such a process.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]
  - The NTTT and Tourism Saskatchewan contracted a consultant to lead the development of tourism planning models in four northern communities: Buffalo Narrows, Ile a la Crosse, Pinehouse, and Cumberland House.
  - At March 31, 2004, one of four community plans was completed (for Buffalo Narrows).
  - NTTT and Tourism Saskatchewan will lead the development of a northern tourism strategy framework over the next three to five years using the pilot community plans as the foundation. SNA will provide support as required.
  - In addition to the activities above, to support the tourism sector, SNA provided $25,000 in grant funding to support 22 northern tourism operators' participation in a total of five tourism shows in Saskatchewan and Alberta.
- **Facilitate public consultations, through the Environmental Quality Committee (EQC), related to uranium mining developments, focusing on environmental protection, worker and public health and safety, and northern benefits related to key industry initiatives in 2003-2004 and 2004-2005, including:**
  - **Cameco Corporation's advancement of the Cigar Lake project to a production phase, subject to market conditions and other factors;**
  - **Decommissioning and reclamation of Cogema's Cluff Lake operation as well as abandoned uranium mines;**
  - **Cameco Corporation's desire to gain environmental approvals for Key Lake milling of recyclable products.**

  [2003-2004 planned result; *Our Plan for 2003-2004* commitment]
  - The EQC participated in seven mine site visits involving: four license renewals (Cigar Lake, Cluff Lake, McClean Lake, and Rabbit Lake); one proposed decommissioning initiative (Beaverlodge); two proposed partial surface lease surrenders (McClean Lake and Cluff Lake).
  - SNA coordinated four all-member EQC meetings, including a meeting with the Canadian Nuclear Safety Commission (CNSC) President.
  - SNA visited Southend and Wollaston to promote participation and awareness of the EQC program.
  - SNA's NMMS/EQC program assisted Cameco in communicating its management of the McArthur River mine flooding situation in Spring 2003.
- **Establish new policies and procedures supporting EQC representatives' review of (and inputs into) companies' partial surrenders of their uranium surface leases.** [2003-2004 planned result]
  - The EQC reviewed two proposed partial surface lease surrenders during 2003-2004.
  - Based on these reviews, SNA established new roles and responsibilities for the EQC. As of March 31, 2004, SNA was finalizing these new roles and responsibilities with the uranium industry and provincial regulators. They will be implemented in 2004-2005.
- **Gather support from industry and Northern Mines Monitoring Secretariat (NMMS) member departments to expand northern**

communities' awareness and understanding of northern uranium mining industry opportunities and challenges and the EQC's role in monitoring development of the industry. [2003-2004 planned result]

- Drafted protocol for EQC visits at mine sites with input from the uranium industry. The protocol was distributed to mine sites, the CNSC, and Saskatchewan Environment (SE).

- **Further strengthen EQC communications, via such potential initiatives as continued school presentations on industry-specific programs, further youth involvement in its initiatives, and solicitation of community-nominated youth representatives on the committee.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]
  - With SE, SNA delivered workshops on the Cumulative Effects Monitoring Program (CEMP) to schools in six communities, with over 150 high and grade school students participating. Three students participated in one mine tour and CEMP delivery. CEMP is designed to detect potential environmental effects resulting from mining operations. Samples of water, sediments, fish, animals, and vegetation are tested for contamination levels.

- **Document progress/fulfillment and plans to address any outstanding provincial commitments to enhanced northerner involvement in monitoring northern uranium mining developments and their regulation, as contained in the province's 1993, 1997, and 1998 formal public responses to the recommendations of the 1993-1997 Federal-Provincial Uranium Review Panel.** [2003-2004 planned result]
  - Coordinated inputs and updates from various provincial departments and agencies: Labour; Environment; Industry and Resources; Health; Learning; the northern health authorities; Government Relations and Aboriginal Affairs; Highways and Transportation; and, Saskatchewan Watershed Authority.
  - Developed a draft update on the province's responses to 1993-97 Federal-Provincial Uranium Review Panel recommendations. The final report will be completed in early 2004-2005.

Measurement Results

The number of key northern stakeholders groups represented on each key committee supported by SNA, broken down by community, region, and/or stakeholder group (as appropriate).

SNA Key Committees:

- *Northern Review Board (NRB);*
- *Environmental Quality Committee (EQC);*
- *Northern Development Board (NDB);*
- *Northwest Regional Development Council (NWRDC);*
- *Regional Development Corporations*
  - Athabasca Economic Development and Training Corporation (AEDTC);
  - Central Cree Economic Development Corporation (CCEDC);
  - Creighton Regional Development Corporation (CRDC);
  - Northeast Economic Development Association (NEDA);
  - Woodlands and Waterways Regional Development Corporation (WWRDC)

Appendix C identifies northern stakeholders, regional and community representatives on key SNA committees. A summary chart of the committees follows.

Representatives on Key SNA Committees

	02/03	03/04	Comments
NRB	6	7	All positions filled in 03-04.
NDB	12	12	No. of members unchanged.
EQC	30	30	Actual communities on EQC in 2002-2004 was 31; in 2003-2004 was 32. However, in 2002-2003, one community still needed to identify individual(s) to represent it; two communities to identify member representatives in 2003-2004.
NWRDC	11	15	
RDCs			RDCs formed in 2003-2004.
- AEDTC	—	7	
- CCEDC	—	6	
- CRDC	—	7	
- NEDA	—	5	
- WWRDC	—	6	

Source: Saskatchewan Northern Affairs' committee listings

2003-2004 Performance Results

In 2003-2004, all regions of northern Saskatchewan (Athabasca, central, east, and west)[9] and approximately 75% of northern communities were represented on SNA boards or committees. The northern communities represented on SNA key committees increased in 2003-2004 (from 2002-2003) because of the establishment of regional development corporations (RDCs). The number of communities represented in predecessors to the RDCs (i.e. CREDOs) were not reflected in 2002-2003 baseline data.

While there was no, or minimum, change in the number of communities represented on committees already established in 2002-2003, individual representation may have changed. New members on two of the committees (NRB and EQC) were appointed because previous member-terms had expired. As part of the process, two vacant NRB positions were filled.

The number of representatives on each committee will remain relatively unchanged from year to year; the number of members are already determined (e.g. NRB, NWRDC, EQC). SNA's influence on determining committee membership varies with each committee. For some committees, SNA identifies all members; for other committees, the member communities groups represented select their committee members.

SNA will continue to provide technical support and advice to SNA's key boards and committees for better decision-making.

Objective 2 - Increased northerner participation in the labour economy

Economic opportunities exist in the northern mining, forestry, tourism, construction, and human service sectors. To effectively participate in the workforce, northerners need better access to relevant training opportunities. Northerners can gain essential skills and experience to compete for jobs by participating in training programs.

In addition to acquiring appropriate training, northerners can take part in the northern economy by starting small businesses. Financing and ongoing technical advice provide northerners with more opportunities to start, and expand, successful businesses.

Many partners are involved in increasing northerner participation in the labour economy, including other provincial departments, industry, Aboriginal organizations, and training institutions.

Overall, through a team approach, much progress was made toward advancing this objective during 2003-2004:

- Approximately 180 jobs were created or maintained through loans from SNA's NDF;
- 16 non-timber forest products workshops with 310 participants were delivered; and,
- The third Multi-Party Training Plan for $13.7 million was signed.

Key Results

- **Co-chair the Northern Labour Market Committee and continue to play an active support and advisory role in key sectoral sub-committees. Work with relevant government departments, partners, and industry in the North to maintain or increase post-secondary skills and apprenticeship training opportunities in the North, particularly in high demand professional, trade and technical occupations in the forest, mineral, and oil sands sectors.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]

  Co-chaired four Northern Labour Market Committee meetings (NLMC) and served on four NLMC Sub-committees: Administration and Operations; Mineral Sector Steering Committee (MSSC); Forestry Training Sub-committee (FTSC); and, Oil Sands Sub-committee. To advance training opportunities in the North, specific initiatives by the Sub-committees included:

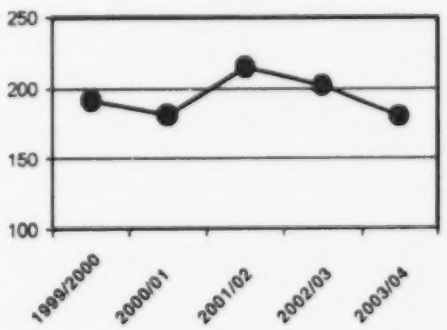
  - design and negotiation of the Multi-Party Training Plan III (refer to key action below).
  - approval of approximately $470,000 for 10 new/continued technical skills training programs for over 80 students.

[9] See Appendix C for communities by northern region.

2003-2004 Performance Results

- **Co-lead and/or provide technical advice in the development of new training programs and workshops in the areas of: commercial fishing (with the Commercial Fishing Sector Partnership); community-based tourism careers for youth (with Saskatchewan Tourism Education Council); and, non-timber resource harvesting.** [2003-2004 planned result]
  - Delivered six training sessions to various commercial fishing co-operatives on board development and meeting facilitation.
  - Provided advice and financial support to the Meadow Lake Tribal Council for one tourism training initiative for the northwest side of the province.
  - Provided financial and/or communications support for 16 mushroom harvesting and wreath-making workshops, attracting 310 participants. Saskatchewan Agriculture, Food and Rural Revitalization (SAFRR) and Kitsaki Management Limited Partnership also led in the delivery of these workshops.
  - Explored with Saskatchewan Tourism Education Council the development of tourism training projects and workshops for delivery in 2004-2005.
- **Based on evaluation of the 2001-2002 & 2002-2003 northern forestry business incubator pilot, SNA will determine the feasibility of implementing a more permanent forestry business incubator beginning in 2003-2004.** [2003-2004 planned result]
  - The incubator pilot assessed various ways to increase the capacity and number of northern contractors in the forestry sector. The evaluation of the pilot recommended the implementation of a long-term forestry incubator beginning in the northwest region of the province.
  - Due to the softwood lumber dispute between the United States and Canada, many existing and smaller companies in the forestry sector are currently facing financial challenges. Circumstances in 2003-2004 did not support the establishment of a permanent business incubator initiative during the year. The feasibility of the project will be re-evaluated in future years as circumstances change.
- **Investigate, through the Northern Labour Market Committee, potential negotiation of a third, five-year mineral sector Multi-Party Training Plan with federal, industry, and northern Aboriginal partners.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]
  - Through participation on the Mineral Sector Steering Committee (MSSC), designed and negotiated the third, five-year Multi-Party Training Plan (MPTP) for $13.7 million.
- **Support northern resource sector and business development (and employment creation) through actions noted under Goal 2, Objective 1 and 2.** [2003-2004 planned result]
  - Refer to key actions under Goal 2, Objectives 1 and 2 for accomplishments that support northern resource sector and business development.
- **Create or maintain an estimated 135 jobs through the $2.5M Northern Development Fund by providing commercial loans to business and primary production loans to trappers, commercial fishers, and wild rice growers.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]
  - Clients indicated an estimated 180 jobs (part-time, full-time, or seasonal) would be created or maintained through the provision of $1.066 million in term loans from the NDF.
  - The 180 jobs reflect 34 jobs in the commercial sector and 146 jobs in the primary production sector. (*Note: In 2004-2005, SNA will report number of person years created or maintained instead of number of jobs to take into account part-time, full-time, and seasonal employment.*)[10]

Estimated Jobs Created or Maintained with the assistance of NDF loans (1999-2004)



[10] For the graphical trend line, 2001-2002 data restated to correctly identify estimated jobs created or maintained.

- **Assess and review the Northern Hire Policy to improve training and recruitment initiatives within the public sector.** [2003-2004 planned result]

- SNA initiated a review and assessment of the Northern Hire Policy in February 2004 by requesting 28 departments and crown corporations to provide information regarding staffing of positions located in the NAD since April 1, 1999. As of March 31, 2004, 17 departments and crowns had responded to the request.
- This key action was not completed during 2003-2004 due to limited staff resources resulting in part from government-wide financial restraints. Pursuit of this key action will be re-evaluated in 2004-2005.

Measurement Results
Performance Measures under development in 2003-2004.

Goal 2 - A viable and sustainable northern economy

Objective 1 - An expanded and diversified northern economy

A strong and diversified northern economy will improve the quality of life for northerners by offering more diverse employment options and increasing local resilience to market fluctuations. SNA will work with private industry and the public sector to facilitate and stimulate business development in the North.

Overall, the department, with provincial and industry partners, made modest progress in advancing this objective.

The uranium industry continues to be a major player in the northern economy, with approximately 40 per cent of its goods and services being supplied by northerners. The administration of mineral surface lease agreements and the ongoing commitment of the uranium industry to advance northerners' interests contribute to maximizing northern socio-economic benefits. The ongoing softwood lumber dispute posed challenges in advancing the northern forestry sector in 2003-2004.

The northern tourism sector has potential for growth through development of Aboriginal culture experiences, ecotourism and outdoor adventures, and fishing and hunting. The development of enabling infrastructure will further promote economic development in the North.

Key Results

- **Continue ongoing administration of 14 surface leases including: processing of surrenders and assignments; responses to industry/public inquiries; monitoring and taking corrective actions regarding industry compliance with (and provincial officials' due diligence around) socio-economic benefits obligations (e.g. business opportunity forecasts, business participation reports, traditional resource user compensation reports). Continue efforts to increase the existing 50.3 per cent northerner employment rate on sites and northerners' $85 million (53 per cent)[11] share of contract goods and services supply opportunities tied to these operations.** [*Our Plan for 2003-2004* commitment] **More specific initiatives include:**
  - **Renegotiating Cigar Lake, Rabbit Lake, and Beaverlodge surface leases; and,**
  - **Completing partial surrenders for the Cluff Lake, McClean Lake, and Beaverlodge surface leases, subject to establishment of a new Provincial Institutional Control Policy by Saskatchewan Environment.**

[2003-2004 planned result]

- SNA continued to administer 14 mineral surface leases for northern mining projects by processing surrenders and assignments, responding to industry and public inquiries, and monitoring the industry for compliance. Some specific accomplishments included:
  - Commenced renegotiation of the Beaverlodge Surface Lease negotiations;
  - Approval of a McClean Lake partial surrender;
  - Approval for Assignments of Interest for the McClean Lake and Midwest Joint Venture projects; and,

[11] Correct percentage for goods and services in original key action is 42 per cent, not 53 per cent.

- Consensus with owners on renegotiated leases for the Rabbit Lake and Cigar Lake Projects.

- At December 31, 2003, the northern employment rate (for long-term and on-site employment) was 51.6 per cent; in 2002 northerners received $67.55 million (40.4 per cent) of contract goods and services.

- **Lead the negotiation of a desired $30 million Canada-Saskatchewan Cost-Sharing Agreement under the Northern Development Accord for the clean-up of abandoned northern Saskatchewan uranium sites.** [2003-2004 planned result]

  - During 2003-2004, and with the support of a Deputy Ministers' Steering Committee and Official's Core Group, SNA made marked progress toward the negotiation of a Canada-Saskatchewan Cost Sharing Agreement:

    - Formally outlined Saskatchewan's position in a February 2004 report to the Canadian Nuclear Safety Commission (CNSC).

    - Confirmed a private sector company's responsibility for remediation of the abandoned Lorado mine site.

    - Developed and delivered presentations, briefings, and communications to federal authorities and northern stakeholders on the importance of federal involvement in the project.

- **Lead the completion of immediate site safety improvement activities at the abandoned Gunnar uranium mine site and undertake project scoping work in anticipation of a commitment of federal funding for the clean-up of abandoned uranium mine sites in northern Saskatchewan.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]

  - A tendered contract was awarded to a northern company in August 2003 enabling completion of certain site safety activities at the Gunnar site early September 2003. The work included sealing up the former mill, headframe, acid plant, and recreation complex, plus posting 50 large signs on site alerting trespassers to radiation and asbestos risks.

  - Initiated planning for contemplated 2004-2005 environmental conditions and preliminary engineering assessment work at the former Gunnar mine/mill site, based on confirmation in January 2004, the new federal Natural Resources Canada (NRCan) Minister would consider Saskatchewan's proposal for federal cost-sharing of the required remediation work.

- **Provide ongoing technical advisory and/or financial support to new northern commercial forest sector partners and developments under the Forest Economic Development Strategy, e.g. La Loche Wood Products (LLWP) and Green Lake Métis Wood Products (GLMWP). Examples of key initiatives planned for 2003-2004 include:**

  - **Assisting Northwest Communities Wood Products (NWCWP) to secure continued pre-operational funding support to undertake business development planning and confirmation of additional business partnerships; and,**

  - **Assisting northern forestry and forest products' businesses to adjust to emerging forest sector constraints and opportunities.**

  [2003-2004 planned result; *Our Plan for 2003-2004* commitment]

  - Provided ongoing advisory support to three new and seven existing clients.

  - Provided ongoing technical advice to GLMWP on financial and operational concerns.

  - Began the establishment of NWCWP Project Task Team with SIR, Saskatchewan Environment (SE), Investments Saskatchewan, Saskatchewan Forest Centre, and NWCWP to focus and better coordinate efforts to help NWCWP realize its Beauval Forest Industries Business Plan.

  - Coordinated SNA and SIR financial commitments to assist NWCWP to evaluate one partner's proposed contribution of mill equipment to the proposed Beauval Forest Industries integrated sawmill project, and to complete a sawing trial of softwood logs for a second prospective partner in the Beauval project.

  - Recommended provincial support to assist NWCWP to meet its 2004-2005 pre-operational funding requirements.

2003-2004 Performance Results

- **Continue to co-lead with Saskatchewan Agriculture Food and Rural Revitalization development of a Non-Timber Forest Products Strategy for Northern Saskatchewan including:**
  - **Identification of public and private sector partners to assist development and delivery; and,**
  - **Partnerships with Kitsaki Management Limited Partnership and Delta Trappers and Outfitters Co-operative in developing training workshops and non-timber forest products pilot projects.**

[2003-2004 planned result; *Our Plan for 2003-2004* commitment]

  - Provided financial and/or communications support for 16 mushroom harvesting and wreath-making workshops, attracting 310 participants. Saskatchewan Agriculture, Food and Rural Revitalization (SAFRR) and Kitsaki Management Limited Partnership also led in the delivery of these workshops.
  - Assisted, along with SAFRR, Delta Trappers and Outfitters Co-operative with delivery of a fiddlehead commercial harvesting pilot project in Cumberland House. Nearly 2000 pounds of fiddleheads were harvested.

- **Provide continued support to the wild rice industry including:**
  - **Supporting the expansion of organic certification for the entire northern wild rice industry;**
  - **Supporting industry-wide marketing efforts; and,**
  - **Provide technical advice, assistance in business plan development and possibly financing for a new processing plant to increase processing capacity.**

[2003-2004 planned result]

  - SNA supported the wild rice industry through the NDF program by:
    - awarding a $2800 grant to help market the product at various Farmer's Markets in Alberta; and,
    - providing three NDF loans, totaling $9305, benefiting four wild rice producers.
  - In 2003-2004, SNA did not contribute specifically to expanding wild rice organic certification or advising the development of a new processing plant.
  - SNA will continue to support the wild rice industry in 2004-2005.

- **Continue to implement the provincial fisheries strategy including:**
  - **Completing two remaining lakeside improvement projects under the Centenary Fund** [*Our Plan for 2003-2004* commitment];
  - **Planning, development and financing for Athabasca fisheries revitalization; and,**
  - **Providing support for re-organization and revitalization of commercial fisheries co-operatives.**

[2003-2004 planned result]

  - One lakeside infrastructure improvement project will be completed in 2004-2005. The second project is in the planning stage and has been delayed until the fisheries co-operative reincorporates.
  - Provided technical advice to Athabasca fishers on how to export fish out of the region given high transportation costs.
  - Provided assistance (e.g. annual returns, by-laws, meeting procedures, membership) to 24 northern fisheries co-operatives, and worked with one group for possible incorporation in 2004-2005.

- **Support the development of a Saskatchewan-based fish processing facility (estimated to cost $3.5 million and create 30 direct jobs) through the provision of technical and organizational assistance in project development, financing, and training. The project is intended to contribute to the goal of doubling the commercial fishing industry over the next five years.** [2003-2004 planned result; *Our Plan for 2003-2004* commitment]
  - Met with prospective investors, one lender, Freshwater Fish Marketing Corporation, and 24 fishers' co-operatives to advance development of the fish processing facility.
  - Provided to northern fishers 32 NDF "equity" loans totaling approximately $32,000 for project capital requirements.

- Attended two Saskatchewan Co-operative Fisheries Limited (SCFL) board meetings and chaired the annual meeting.

- **Advise local committees and assist in assessments and development of business cases to advocate for specific "enabling" infrastructure that would support regional economic development, including:**
  - **Access to natural gas in the La Ronge area;**
  - **Increased cell-phone coverage in the Northwest;**
  - **Increased/improved road access in the Athabasca region; and,**
  - **Access to SaskTel High Speed Internet in unserviced areas.**

[2003-2004 planned result]

- Participated in Anglin Lake-Natural Gas Committee meetings. The committee continues to explore all funding options, including the Canada Strategic Infrastructure Fund.
- Supported the Northwest Regional Development Council in advocating for cell phone coverage expansion in the northwest.
- With other organizations, assisted development and promotion of AEDTC's proposal to secure approximately $2 million in NDA funding to improve the Athabasca seasonal road through removal of four hills.

Measurement Results
Performance Measures under development in 2003-2004.

Objective 2 - Increased management and ownership of businesses by northerners

The number of businesses in the NAD and the number of businesses owned by northerners are indicative of the local economy's strength. The number of businesses owned and managed by northerners in the NAD is important to the long-term economic success of the region. Through ownership and operation of northern businesses, northerners are more actively involved in the local economy, workforce, and community. Keeping a greater portion of business revenues in the NAD encourages more spending locally and reinvestment in the community, which, in turn, fosters more resilient and diversified economies.

Overall, the department made moderate gains on this objective. SNA approved 30 more primary production loans in 2003-2004 compared to 2002-2003; however, due to a reduction in demand for commercial loans, SNA approved nine fewer commercial loans during 2003-2004. All northern development lenders experienced a drop in lending activity in 2003-2004. Though the overall amount of NDF loans approved decreased, increased primary production lending activity helped create or maintain an estimated 180 jobs compared to 202 in the previous year.

Key Results

- **Continue to provide support for business and sectoral development through various forms of financing under the Northern Development Fund (NDF), including:**
  - **Commercial loans to northern businesses;**
  - **Primary production loans to trappers, commercial fishers, and wild rice growers;**
  - **Grants for: marketing, research and development; youth entrepreneurship initiatives; organizational development; and, business skills training.**

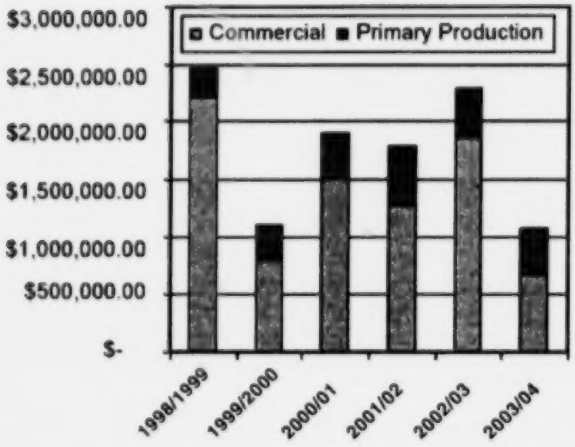
[2003-2004 planned result]

- SNA approved 114 loans and 30 grants:
  - 10 commercial loans totaling $651,305;
  - 104 primary production loans totaling $414,253, including: 7 loans to trappers for $21,699; 94 loans to commercial fishers for $383,249; and 3 loans to wild rice growers. for $9,305.
  - 30 grants totaling $270,513. Actual disbursement, including carry-over from grants approved in previous years, was $309,179.
- $1.4 million of available $2.5 million NDF loan funding was not accessed in 2003-2004; other northern lending agencies also experienced reduced lending activity.
- The value of NDF loans and grants approved during the past six years is shown in the following charts.

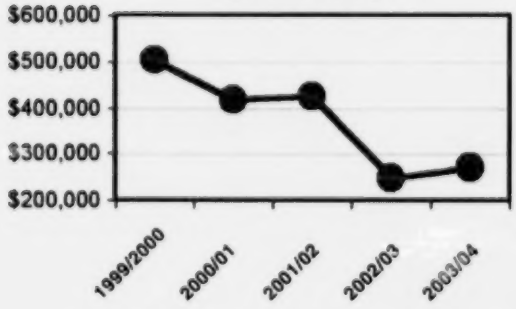
2003-2004 Performance Results

2003-2004 NDF Grants per Category	
Category	**Grants**
Primary Production	$45,609
Community Development	$136,511
Forestry/Mining and Related	$17,500
Retail/Service Sector/Other Service/Tourism	$70,893
Total	$ 270,513

Total NDF Loans Approved (1998-2004)



NDF Grants (1999-2004)



Note: Fiscal restraint resulted in less grant monies approved via NDF.

- **Increasingly focus investments on strategic economic/sectoral priorities identified in conjunction with the Northern Review Board.** [2003-2004 planned result]
  - SNA prepared a sectoral analysis of NDF loans approved/dispersed since 1995. The analysis included an overview of the commercial loan portfolio, value of NDF loans in each key sector, and five-year trend of approved commercial and primary production loans.
  - The sectoral analysis will be presented to the NRB for review early in 2004-2005.
- **Continue managing orderly and effective wind down of the Northern Revolving Loan Fund.** [2003-2004 planned result]
  - The former Northern Revolving Loan Fund (NRLF) ceased operation in 1994 and was replaced by the NDF in 1995.
  - The April 1, 2003 outstanding balance was $808,000 with six active loans. As of March 31, 2004, the outstanding balance was $761,000 with four active loans.
  - SNA anticipates completely winding down the NRLF during the 2006-2007 fiscal year.
- **Investigate the feasibility of a new northern partnership company being established that would provide the requisite expertise to undertake the clean-up of abandoned uranium mine sites in northern Saskatchewan, subject to confirmation of federal funding for the proposed multi-year project.** [2003-2004 planned result]
  - Discussions were initiated with various interests regarding their support for the development of a northern partnership company to undertake the clean-up of abandoned uranium mines in northern Saskatchewan.
  - Conceptual interest in the project and proposed company, and a desire to consider more specifics as plans for the proposed clean-up project unfolds were expressed by: Cameco Inc.; Areva; EnCana; Saskatchewan Research Council (as a partner); Indian and Northern Affairs Canada (INAC) and Western Economic Diversification (WD); several consulting companies; a number of provincial departments and agencies; and, various northern Aboriginal development interests.

- SNA will pursue further critical discussions on, and evaluation of, the proposed initiative in 2004-2005.

- **Provide technical advisory support services to northern businesses, co-operatives, and industries including:**
  - **Advisory support services in business planning and development, financing, marketing;**
  - **Sector-wide planning and skill development support; and,**
  - **Co-operative support services in organization development, policies, planning, legislative compliance, project development, and key sector strategies.**

[2003-2004 planned result]

- Provided advisory support services to new and existing clients in the NAD. Two specific examples included work with northern clients toward the development of commercial opportunities in the peat moss and fiddlehead industries.
- In the primary production sector (fishing, trapping, and wild rice), SNA received 181 inquiries for assistance during the year. SNA provided technical advice, assistance in completing loan applications, and answered questions about SNA programming and the primary production sector.
- Provided support to 25 northern co-operatives seeking SNA's advice, including 24 commercial fishing co-operatives and one daycare co-operative. SNA has also explored the potential to develop four additional co-operatives in 2004-2005.

Measurement Results

Performance Measures under development in 2003-2004.

Goal 3 - Responsive and effective government in the North

Objective 1 - Strengthened communication of government initiatives and the opportunities and challenges related to economic development in the North

With increased awareness of available government programs and services, northerners can better access and benefit from the programs.

Effectively communicating existing government programs and services is important to northerners' success; this is particularly important given the unique communication challenges in the North. For example, multiple modes of communication must be considered and tailored to the unique situations of different northern regions. A variety of standard communication tools are used in the North including newsletters, radio, newspaper, and magazine advertising.

The department continued to make significant progress in communicating provincial government initiatives and issues important to northerners. SNA conducted focus group testing in 2003-2004 to evaluate perceptions of SNA's programs and initiatives; the information will assist in improving communication activities for northerners. As a first step, SNA updated its advertisements on NDF programs and services.

The department continued to produce: *Northern Focus* radio programs and one newsletter; the NMMS *"You Were Asking"* radio broadcast three times a week in Cree, Dene, and English; and, regular NMMS/EQC inserts in the widely distributed *Opportunity North*. SNA also communicated pertinent information to northerners via meetings and one-on-one contacts with clients.

Key Results

- **During 2003-2004, SNA will assess northerners' awareness of particular government programs and communication vehicles. Results will be shared with other government departments and agencies in determining if there are options for improving the availability of program information to**

northern residents. In the meantime, SNA will again produce two issues of its Northern Focus newsletter annually and will continue to produce up to 30 episodes of the Northern Focus radio program. [2003-2004 planned result]

- Retained a consultant to conduct June 2003 focus group discussions in La Ronge and Buffalo Narrows, and telephone surveys with the public, business, and community leaders from the Athabasca Region and Northeast part of the province. Respondents were familiar with the NDF program and wanted to increase awareness of SNA and its communication vehicles.
- SNA shared the results in January 2004 with other departments, including those operating in the North.
- Produced 21 *Northern Focus* radio shows and one *Northern Focus* newsletter. The quantity was lower than planned due to communication restrictions during the provincial election.

- **Through the EQC, SNA will continue to support publication of its NMMS/EQC insert in *Opportunity North* insert that specifically provides public information respecting the northern uranium mining industry and associated socio-economic and environmental topics.** [2003-2004 planned result]
  - Provided information (i.e. inserts) in all five issues of *Opportunity North*.
- **SNA will also continue to produce the weekly *"You Were Asking"* feature on Missinipe Broadcasting Corporation radio to address northerners' concerns and interests about the uranium industry's operations, how it is regulated and its future development.** [2003-2004 planned result]
  - Produced 144 radio slots of *"You Were Asking"*. The program airs three times a week in Cree, Dene, and English.
- **Communicate training, employment, and business opportunities. Some key communications over the next two years will focus on:**
  - **Northern training, apprenticeship, and employment opportunities;**
  - **Softwood/hardwood value-added processing options and developments around the softwood lumber dispute;**
  - **Employment opportunities in the Alberta oil sands.**

[2003-2004 planned result]

Training, Apprenticeship, Employment

- Beyond co-chairing the Northern Labour Market Committee (NLMC), SNA officials participated in quarterly meetings of the NLMC's Forestry Training Sub-committee and Mineral Sector Steering Committee. Members on the committee share new training, apprenticeship, and employment opportunities in these sectors in the North.
- Communicated, with Saskatchewan Environment (SE), training and employment opportunities to northern schools in six communities through delivery of SE's Cumulative Effects Monitoring school presentations.

Forestry Developments

- Provided ongoing advice to two northern forestry partners on value-added processing and manufacturing opportunities in the northern forest sector and general updates on developments concerning the softwood lumber dispute.

Alberta Oil Sands

- Economic opportunities in Alberta's oil sands industry is communicated regularly by the NLMC's Oil Sands Sub-committee to the entire NLMC membership.

- **Publicize the Northern Development Fund (including promotion at sector expositions and conferences).** [2003-2004 planned result]
  - Developed new advertising to promote the NDF.
  - Placed the advertisement nine times in northern and Aboriginal newspapers including: the La Ronge *Northerner; Meadow Lake Northern Pride; Meadow Lake Progress; Prince Albert Grand Council Tribune; Opportunity North;* and the Winnipeg-based *Trade and Commerce Magazine*.
  - Created and distributed a new information flier to northern stakeholders (northern municipalities, economic development agencies, Métis and First Nations organizations).

2003-2004 Performance Results

- **Ensure northern communities are kept informed of the abandoned uranium mine site decommissioning negotiations and become full partners in implementing the decommissioning projects.** [2003-2004 planned result]
  - Provided regular updates to the Environmental Quality Committee (EQC), Athabasca Basin communities, NLMC, Northern Municipal Roundtable, Northern Mines Monitoring Secretariat, and provincial departments and agencies. Modes of communication included media interviews, meetings, hand-outs, presentations, and an article in the August *Athabasca Nugget*.
  - Communicated to Athabasca communities the opportunity to bid on the site safety work at the abandoned Gunnnar site. An Athabasca basin contractor was awarded the contract for the work.
- **Provide technical advice and financing, in 2003-2004 and 2004-2005, to support development of a Northern Awareness Enhancement Campaign on behalf of the 11 member jurisdictions (including Canada) comprising the Northern Development Ministers' Forum.** [2003-2004 planned result]
  - Through a four province/territory working group, the NDMF developed the first product of the campaign, a cross-jurisdictional Northern Information Package, that will be released early in 2004-2005. The purpose of the proposed 3-year campaign is to develop a strategy for generating greater awareness of the North with decision-makers and the public.

Measurement Results
Performance Measures under development in 2003-2004.

Objective 2 - Coordinated and transparent policy, program, and project planning and delivery among government departments and northern partners

SNA is responsible for improving planning and coordination of activities between provincial and federal government departments and northerners. Successful planning and coordination will increase the effectiveness of programs and initiatives.

The department made good progress on this objective. Several parties successfully worked together on the NDA. There was significant progress toward, or actual completion of, nine of 10 Northern Strategy milestones.

In its 2004-2005 Performance Plan, SNA developed 14 new measures to better measure progress against all six of the department's objectives.

Key Results
- **With other provincial departments, develop a cross-governmental strategic plan for the Northern Strategy aimed at: building a common vision for the North; addressing key gaps and overlaps in current government services; improving government effectiveness and efficiency; and, advancing selected cross-departmental priorities not falling within any one department's mandate.** [2003-2004 planned result]
  - SNA coordinated development of an action plan for the Northern Strategy in 2003-2004.
  - The plan identified some gaps in linking some fundamental northern initiatives and strategies (i.e. Northern Health Strategy) to the overall Northern Strategy.
  - SNA will update and refine an action plan during 2004-2005.
- **Coordinate the planning and delivery of investments under the Northern Development Agreement (NDA) in conjunction with provincial/federal government and northern partners, including:**
  - **Operationalizing the Tripartite Management Committee (TMC) decision-making processes, communication structures, and investment delivery procedures. The role of the committee is to administer and establish the Northern Development Agreement. The committee consists of two members each from the Northern Development Board Corporation, provincial and federal governments;**
  - **Clarifying decision-making, communication, and delivery frameworks under the Northern Development Agreement to ensure all involved parties have an understanding of their roles, expectations, responsibilities, and accountabilities; and,**

- **Identifying and prioritizing key infrastructure and capacity building initiatives to receive NDA funding, project eligibility criteria, and coordinating project implementation in conjunction with the delivery agencies.** [*Our Plan for 2003-2004* commitment]

[2003-2004 planned result]

- The Tripartite Management Committee (TMC) and Technical Sub-committee established the NDA delivery framework including a Call for Proposals package, criteria funding in May 2003, and a project ranking tool, and application evaluation process in June 2003.
- The TMC established the Provincial Planning and Accountability Committee (PPAC).
- The TMC approved eight projects to receive approximately $2.7 million in NDA funding.
- See measurement results for further information.

- **Establish and improve communication and accountability structures among governmental and northern partners, including:**
  - **Establishing clear communication and consultation procedures among the Northern Development Board and relevant provincial/federal government bodies under the Northern Strategy;**
  - **Ensuring better integration of plans, to avoid working at cross purposes, to effect a common understanding and acceptance of goals, to implement enabling mechanisms to work cooperatively, and to make effective use of resources.** [2003-2004 planned result]
  - There was little progress on this key action during 2003-2004 as the NDBC and SNA dedicated most of its resources and time to coordinating the planning and delivery of investments under the NDA (refer to previous key action).
- **Support the Northern Development Board in establishing effective linkages with wider northern stakeholders.** [2003-2004 planned result]
  - The NDBC, SNA, and Indian and Northern Affairs Canada (INAC) met twice to identify key northern sectoral groups with whom the NDBC should build linkages with.
  - The NDBC delivered presentations on the NDA to several northern stakeholders including: Prince Albert Grand Council; the Northern Labour Market Committee; and, the Northwest Regional Development Council.
- **In conjunction with regulatory agencies in the mineral sector, document current practices, regulatory requirements, and policies, and address current problems, gaps, shortfalls to ensure clearer procedures and more coordinated provincial responses to industry operators concerning:**
  - **Information on requirements (a "roadmap") companies must meet to move from mine exploration, to development, operations, decommissioning, and eventual release from their surface lease; and**
  - **Interest in developing quarrying operations.**

[2003-2004 planned result]

- Promoted with SE and other involved provincial regulatory departments/agencies the merits of developing a "roadmap" to clarify and streamline regulatory approval processes for exploration activities. Interests in the development of such a roadmap have not yet been confirmed.
- Participated in Saskatchewan Mining Exploration Government Action Committee (SMEGAC) - a joint mining industry/government initiative - to develop draft "*Best Management Practices*" guidelines for the exploration industry.
- Interest in developing quarrying operations was reported in SNA's 2002-2003 Annual Report (Goal 2, Objective 1, Other Key Results).

- **Strengthen long-term investment environment for northern mining sector by clarifying and streamlining tenure-related regulatory requirements. An example of specific proposed initiative is:**
  - **Assisting Saskatchewan Environment (SE) to establish appropriate "Institutional Control" policies and procedures for decommissioned and reclaimed lands on mine sites that are to revert to provincial control.**

[2003-2004 planned result]

- Provided advice to SE during the drafting of proposed Institutional Control Policy.
- Recommended to SE that northern stakeholders be consulted on the draft policy.
- Negotiated SE's establishment of a new policy entitled *Fees Adjustment Policy for Mineral Leases on Crown Lands.*

- **Improve accountability and communications with northern stakeholders.** [2003-2004 planned result]
  - Presented the department's 2003-2004 Performance Plan to the NLMC and Northern Municipal Roundtable during April and May 2003.
  - Delivered 20 presentations to northern communities during June and July 2003 about SNA's mandate and programs and services. Northern community leaders shared their views and concerns.
  - Retained a consultant to conduct focus group discussions and a telephone survey with the best ways to communicate to tha northern public.
- **Establish measures to better inform decision-making and to gauge and communicate the department's contributions more effectively.** [2003-2004 planned result]
  - Established 14 new measures in SNA's 2004-2005 Performance Plan to provide a more balanced means for users to assess performance results.
- **Evaluate and monitor the effectiveness of the Northern Fish Transportation Subsidy and Price Support Program and Northern Development Fund Programs.** [2003-2004 planned result]
  - SNA did not evaluate the Northern Fish Transportation Subsidy and Price Support Program during 2003-2004 due to limited staff resources, resulting in part from government-wide financial restraints; the evaluation is planned for 2004-2005.
  - SNA completed a program evaluation during April – June 2003 of the grant component of the NDF. In response to the evaluation, SNA developed a detailed evaluation tool (i.e. scorecard) to assess applications and to improve the decision-making process surrounding NDF grant applications.
  - SNA is planning to undertake a program evaluation of the loan component of the NDF during 2004-2005.

Measurement Results
How well the Northern Strategy meets its objectives (as measured by progress in completing a list of milestones.

Overall Summary of Northern Strategy Progress

In 2003-2004, partners involved in the delivery of the Northern Strategy and NDA were successful in completing five of 10 milestones, and made significant progress on four milestones. The remaining milestone will continue into 2004-2005.

Progress was made in operationalizing the NDA, an "enabling mechanism" of the Northern Strategy, with the establishment of a delivery framework in the first half of 2003-2004 and approval of eight projects for $2.7 million in NDA funding. The amount is less than the targeted anticipated $4 million - $5 million program expenditure in 2003-2004 due in part to the time dedicated to establishing the NDA delivery framework; the remaining funds will roll-over into the Agreement's remaining years. The TMC will streamline the NDA approval process, and the provincial government, as requested, will provide assistance in developing proposals to support an increase in the number of projects approved.

The NDBC, provincial and federal governments are all actively involved in the delivery of the NDA – establishing project criteria and identifying projects to receive NDA funding.

Many partners are involved in the delivery of the Northern Strategy and Northern Development Agreement. Northern Affairs coordinates the cross-governmental Northern Strategy and works with other provincial departments in its delivery.

2003-2004 Performance Results

SNA also coordinated the development of an action plan for the Northern Strategy in 2003-2004.

The list of Northern Strategy milestones, and progress for each milestone, follows.

List of 2003-2004 Milestones

✓ Complete ❍ Ongoing ❑ To be completed

Cross-Governmental Strategic Plan

❍ *Development of the cross-governmental strategic plan for the Northern Strategy with other partnering departments.*

Northern Development Agreement

Finalize and operationalize TMC decision-making tools and processes, communication structures and investment delivery procedures, including:

✓ *Development of NDA Application package and guidelines;*

✓ *Development of project review protocol and a Project Ranking Guide;*

❍ *Development of a Performance Measurement Strategy;*

✓ *Establishment and operationalization of a Provincial Planning and Accountability Committee (PPAC) responsible for advising and coordinating departmental input into NDA decisions; and,*

✓ *Development and release of one or more Calls for Proposals (frequency dependent on the number, value and quality of proposals received).*

✓ *Invest $4-5 million in combined federal-provincial NDA funds in 2003-2004 (or between 20-25% of the $20 million dedicated to the NDA over the five year term of the agreement).*

❍ *Support the Northern Development Board in formulating its strategic direction for the North.*

Communication And Accountability Structures

❍ *Development of formalized communication arrangements and protocols between departmental committees involved in the Northern Strategy and the Northern Development Board Corporation.*

❑ *Initiation of dialogue among departments involved in the Northern Strategy and Northern Development Board on their respective visions and proposed strategic directions for the North and areas for potential collaboration.*

2003-2004 Financial Results

Summary of Expenditures

The following table outlines information on actual and budgeted expenditures by subvote and subprogram. Variance explanations are provided for all variances that are greater than $50,000.

Subvote/Subprogram	Original Estimate ($000s)	Actual Expenditure ($000s)	Variance Over/(Under) ($000s)	Notes
Administration (NA01)	964	1,011	47	
Accommodation and Central Services (NA02)	215	229	14	
Northern Strategy (NA03)	666	217	(449)	1
Resource and Economic Development (NA04):				
Business Programming and Financial Services	925	1,277	352	2
Resource and Policy Development	1,175	515	(660)	3
Northern Development Fund	629	612	(17)	
Northern Development Fund – Loan Loss Provision	500	580	80	4
Northern Commercial Fish Subsidy	445	445	0	
Subvote NA04 Total	3,674	3,429	(245)	
TOTAL EXPENDITURE	**5,519**	**4,886**	**(633)**	5

Explanation of Major Variances

1. SNA had $300,000 in the 2003-2004 budget for the Northern Development Agreement. This funding was for the NDBC (up to $75,000) and TMC approved projects ($225,000). The eight approved projects for $2.7 million are being funded from other partnering departments' budgets; therefore, SNA's $225,000 was not accessed during 2003-2004 for the NDA. Also, SNA had $366,000 to operate the Planning and Performance Management Unit. Only $140,000 was spent as two positions remained vacant and have subsequently been eliminated during the 2004-2005 budget process. This affected the department's performance results for program evaluations of the Northern Hire Policy and the Northern Development Fund as well as other areas. Surplus budget funds were redirected to the other subvotes and subprograms within the department.

2. SNA staffed nine vacant positions during the past 18 months, resulting in an increase in salary, administrative, and operating costs. The over expenditure of $354,000 was funded internally with surplus funds from the Northern Strategy subvote and the Resource and Policy Development subprogram.

3. SNA had $600,000 for the proposed abandoned uranium mines clean-up project and $575,000 for the operations associated with forest industry policy development, mineral surface lease agreement administration, Northern Mines Monitoring Secretariat, and Environment Quality Committee (EQC). The proposed abandoned uranium mines clean-up project did not advance to the stage that it required spending the full $600,000; as a result, SNA had an under expenditure of $507,000 with this key action. The other under expenditure of $153,000 is due to one vacant position which was not staffed (and was subsequently eliminated during the 2004-05 budget process) and fewer EQC meetings being held during 2003-04 than planned/budgeted. This had an impact on the department's performance results relating to Northern Mines Monitoring Secretariat and EQC.

2003-2004 Financial Results

4. The department's allowance for doubtful accounts for the loan component of the Northern Development Fund was understated for the past couple of years of operations. The allowance was adjusted during 2003-2004, resulting in an over expenditure of $80,000. This was accommodated internally through a redirection of surplus from the Resource and Policy Development subprogram and other areas of under expenditure within the department. This did not affect the department's performance results for 2003-2004.

5. The net under expenditure of $632,000 is predominantly due to under spending related to the Northern Development Agreement and the proposed abandoned uranium mines clean-up project.

Where to Obtain Additional Information

If you would like to obtain further information, ask questions or provide comments on the Annual Report, or would like additional copies, please contact:

Executive Director
Planning and Performance Management
5th Floor, 1919 Saskatchewan Drive
REGINA, SK
S4P 3V7
306-787-0174

or

Communications Director
Saskatchewan Northern Affairs
5th Floor, 1919 Saskatchewan Drive
REGINA, SK
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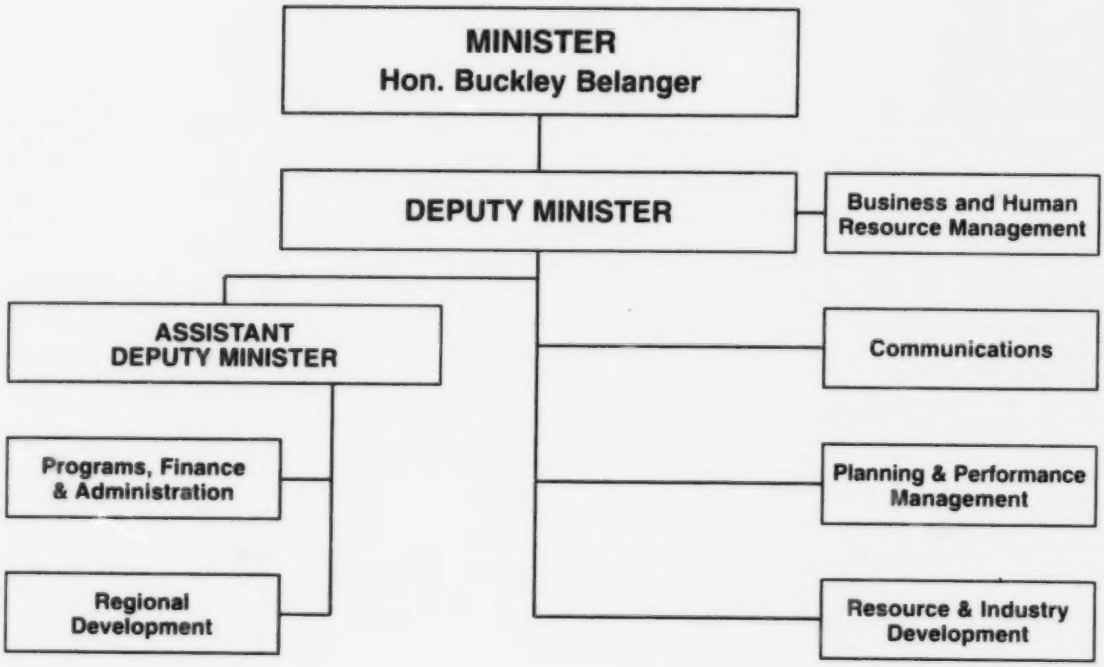
306-787-5061

For further information relating to the department's programs, please visit us online at:
http://www.northern.gov.sk.ca/index.html

Appendix A

Organization Chart

As of March 31, 2004



Appendix B:
Northern Administration District
Map

Appendix C: Performance Measure Matrices

(Goal 1, Objective 1)
Number of Members from Stakeholder Groups, Regions or Communities

The department's 2003-2004 Performance Plan contained a matrix to show membership on key SNA committees. The matrix takes a slightly different form in this report, but the content remains relatively unchanged. Different matrices are used to better demonstrate who makes up each committee (e.g. northern organizations, regional representation, or northern communities).

Organizations/Entities represented on Northern Development Board Corporation

	02-03	03-04
Saskatchewan Association of Northern Communities – New North	2	2
Métis Nation of Saskatchewan	4	4
Prince Albert Grand Council	2	2
Meadow Lake Tribal Council	2	2
Athabasca Economic Development and Training Corporation	2	2

Northern Regions represented on Northern Review Board[14]

	02-03	03-04
Athabasca Region	1	1
Central Region	1	2
East Side	2	3
West Side	2	3

Northern Communities represented on Environmental Quality Committee
(Chart includes only communities that qualify to be on the EQC committee)

	02-03[12]	03-04[13]
Air Ronge	1	1
Beauval	1	1
Black Lake First Nation	1	0
Brabant Lake	1	1
Buffalo Narrows	1	1
Camsell Portage	1	1
Cumberland House	1	1
Cumberland House Cree Nation	1	0
Denare Beach	1	1
Dillon (Buffalo River First Nation)	1	1
Fond du Lac First Nation	1	1
Green Lake	1	1
Ile a la Crosse	1	1
Jans Bay	1	1
La Loche	1	1
Clearwater Dene First Nation		1
La Ronge	1	1
Lac La Ronge Indian Band	1	1
Michel Village	1	1
Montreal Lake First Nation	1	1
Patuanak	1	1
English River First Nation	1	1
Pinehouse	1	1
Sandy Bay	1	1
Peter Ballantyne Cree Nation	1	1
Southend		1
St. George's Hill	1	1
Stony Rapids	1	1
Turnor Lake (Birch Narrows First Nation)	1	1
Uranium City	1	1
Weyakwin	1	1
Wollaston		
Hatchet Lake First Nation	1	1

Communities by Northern Regions

Athabasca	Central	East	West	
Black Lake	Air Ronge	Creighton	Bear Creek	Green Lake
Camsell Portage	Brabant Lake	Cumberland	Beauval	Ile a la Crosse
Fond du Lac	Grandmother's Bay	House	Black Point	Jans Bay
Stony Rapids	Hall Lake	Cumberland	Buffalo Narrows	La Loche
Uranium City	Kinoosao	House Cree	Canoe Narrows	Michel Village
Wollaston Lake	La Ronge	Nation	Cole Bay	Patuanak
	Missinipe	Denare Beach	Descharme Lake	Sled Lake
	Montreal Lake	Deschambault	Dillion	St. George's Hill
	Pinehouse	Lake	Dore Lake	Turnor Lake
	Southend	Pelican Narrows	Garson Lake	
	Stanley Mission	Sandy Bay		
	Timber Bay	Sturgeon Landing		
	Weyakwin			

[12] In 2002-2003, the EQC had 31 member communities, but Southend did not have an individual to represent it.
[13] In 2003-2004, the EQC had 32 member communities; two communities did not individuals to represent them.
[14] Two vacant positions in 2002-2003 are now filled.

Appendix C: Performance Measure Matrices

Northern Communities on the Northwest Regional Development Council and Regional Development Corporations							
(Communities are arranged by region)	Northwest Regional Development Council		Athabasca Economic Development and Training	Central Cree Economic Development Corporation	Woodlands and Waterways Regional Development Corporation	Creighton Regional Development Corporation	Northeast Development Corporation
	02-03	03-04	03-04	03-04	03-04	03-04	03-04
Northwest							
Bear Creek							
Beauval	2	3					
Black Point							
Buffalo Narrows	1	3					
Canoe Narrows	1	1					
Cole Bay	1	1					
Descharme Lake							
Dillon (Buffalo River First Nation)		0					
Dore Lake							
Garson Lake							
Green Lake	1	1					
Ile a la Crosse	2	2					
La Loche		2					
Clearwater Dene First Nation							
Michel Village	1						
Patuanak (English River First Nation)	1						
Pinehouse	1	1					
Sled Lake							
St. George's Hill							
Turnor Lake (Birch Narrows F.N.)		1					
Athabasca Region							
Black Lake First Nation			1				
Camsell Portage			1				
Fond du Lac First Nation			1				
Stony Rapids			1				
Uranium City			1				
Wollaston			1				
Hatchet Lake First Nation			1				
Montreal Lake Region							
Montreal Lake First Nation				2			
Timber Bay				2			
Weyakwin				2			
La Ronge Region							
Air Ronge					3		
Brabant Lake							
Grandmother's Bay							
Hall Lake							
La Ronge					3		

Appendix C: Performance Measure Matrices

Northern Communities on the Northwest Regional Development Council and Regional Development Corporations							
(Communities are arranged by region)	Northwest Regional Development Council		Athabasca Economic Development and Training	Central Cree Economic Development Corporation	Woodlands and Waterways Regional Development Corporation	Creighton Regional Development Corporation	Northeast Development Corporation
	02-03	03-04	03-04	03-04	03-04	03-04	03-04
Lac La Ronge Indian Band							
Missinipe							
Stanley Mission							
Creighton-Denare Beach Region							
Creighton						5[15]	
Denare Beach						1	
North East Region							
Cumberland House							1
Cumberland House Cree Nation							
Deschambault Lake							1
Kinoosao							
Southend							
Pelican Narrows (Peter Ballantyne)						1	1
Pemican Portage							1
Sandy Bay							1
Sturgeon Landing							

[15] Creighton Regional Development Corporation also has two alternates from Creighton.

Appendix D: Glossary

Commercial Fishing and Freight Subsidy and Price Support Program: Provides financial support for the commercial fishing industry in northern Saskatchewan through two components: a freight subsidy and a price support mechanism. The freight subsidy helps equalize transportation costs for fishers throughout the North. The price support mechanism compensates for reduced market prices or increased operating costs.

Environmental Quality Committee: Vehicle to receive perspectives from, and communicate information to, northern communities on environmental protection, worker health and safety, and socio-economic performance in the uranium mining industry. The EQC acts as a communication bridge between northerners, the uranium industry, and regulators of the industry, and is comprised of representatives of "impact communities" as defined in the Human Resource Development Agreement negotiated for each mine.

Forest incubator pilot: Project to assess options to increase capacity and number of capable northern contractors in future forestry development.

Mineral Surface Lease Agreement: All mining companies operating in the North are required to negotiate a surface lease agreement with the provincial government every time they plan a new project. The agreement provides the proponents with land tenure, and ensures adequate provincial regulatory control over environmental protection, and worker health and safety. Through separate Human Resource Development Agreements, the Surface Lease Agreements also address training, employment, business, and other socio-economic benefits from northern mining operations.

Multi-Party Training Plan: A partnership of public, private, and non-profit organizations combining resources and linking raining directly to the mineral sector's demand.

Northern Administration District: Geographic area described in the *Northern Municipalities Act*.

Northern Development Accord: Memorandum of understanding that will provide for the development of a strategic framework to guide the efforts of federal and provincial governments and northern communities to improve the living conditions and enhance the economic opportunities available to northerners. The first funded initiative under the Accord is the Canada-Saskatchewan Northern Development Agreement.

Northern Development Agreement: Agreement to promote and support sustainable economic development for northern Saskatchewan and encourage the full participation of Northerners in the Saskatchewan economy. The Agreement includes funding of $20 million over a five-year period, cost shared equally by the governments of Canada and Saskatchewan.

Northern Development Board Corporation: Provides advice and recommendations on initiatives and priorities to achieve the vision and goals of the Northern Development Accord, and complements the roles of existing northern bodies leading to improved government decision-making for northern Saskatchewan. Board representation includes two members each from New North, Athabasca Economic Development and Training Corporation, Meadow Lake Tribal Council, Prince Albert Grand Council, and four members from the Métis Nation of Saskatchewan.

Northern Development Fund: Fund established in February 1995 to stimulate and support economic and business development in northern Saskatchewan, and to encourage diversification and job creation. The fund provides: 1) commercial loans to northern business; 2) primary production loans to trappers, commercial fishers, and wild rice growers; 3) grants for marketing, research and development; organizational development and business skills training; financial support to northern youth entrepreneurs for business skill development.

Northern Hire Policy: Policy to enhance employment opportunities for northerners within the northern operations of Executive Government. To be considered a "northerner" for the purposes of this policy, an applicant will have lived in the Northern Administration District for ten (10) years or one-half (1/2) of his or her life.

Northern Labour Market Committee: Established in 1983 as the main forum in the NAD for government, employers, and other agencies to address issues relating to employment and training. Membership of the NLMC includes federal, provincial and municipal governments, Aboriginal agencies, training institutes, non-government organizations, economic development groups, and the forestry, mining, construction and trucking industries.

Northern Mines Monitoring Secretariat: Saskatchewan provincial agency, co-chaired by SNA, dedicated to acquiring and disseminating information about Saskatchewan's uranium mining industry and coordinating activities of the 32 member community Northern Saskatchewan Environmental Quality Committee. Membership of the NMMS includes provincial departments with a role in the uranium industry, and federal departments.

Northern Review Board: Board that oversees the Northern Development Fund, composed of experienced business people, leaders and professionals from various northern communities. The Board advises government on policies, programming, and administration of the fund. Members review and make recommendations on NDF loan applications of more than $25,000, and act as an appeals board on smaller loans that may be declined by NDF administrators.

Appendix D: Glossary

Northern Strategy: An agreed statement of goals and objectives for further social, economic and political development in the NAD. The Strategy includes three "enabling mechanisms" - new measures intended to support the Strategy's goals and objectives. These include a Northern Development Board, a Strategic Opportunities Assessment, and a Northern Development Agreement.

Northern Saskatchewan Tourism Task Team: A coordinating body comprised of representatives from the northern tourism industry, community and regional development interests, SNA, SE, Aboriginal Business Canada, and Tourism Saskatchewan. It was created in the spring of 1998 by SNA as a follow-up to the Forum '98 Northern Business conference.

Northwest Regional Development Council: The Northwest Regional Development Council (NWRDC) was developed to serve as an advisory body to the Minister of Northern Affairs. Individuals are appointed to the Council by the Minister of Northern Affairs for the period of one year.

Provincial Planning and Accountability Committee: Committee to facilitate Northern Development Agreement communications between provincial departments.

Regional Development Corporations: Vehicles that enhance regional and business development opportunities in the Northern Administration District.

Tripartite Management Committee: Management body overseeing the Northern Development Accord and Agreement. Consists of two representatives each from the Northern Development Board Corporation (NDBC), and the provincial and federal governments.

Tripartite Management Committee – Communications Sub-committee: Committee that coordinates public communications and news releases for the Northern Development Agreement. Consists of one representative each from the NDBC, and provincial and federal governments.

Tripartite Management Committee – Technical Sub-committee: Committee responsible for operational details and overseeing delivery of the Northern Development Agreement with their respective northern, provincial, and federal advisory groups.

Acronyms

AEDTC	Athabasca Economic Development and Training Corporation
CCEDC	Central Cree Economic Development Corporation
CEMP	Cumulative Effects Monitoring Program
CIC	Crown Investments Corporation
CNSC	Canadian Nuclear Safety Commission
CRDC	Creighton Regional Development Corporation
CREDO	Community-based Regional Economic Development Corporation
EQC	Environmental Quality Committee
FTE	Full-Time Equivalent
FTSC	Forestry Training Sub-committee
GLMWP	Green Lake Métis Wood Products Ltd.
INAC	Indian and Northern Affairs Canada
MPTP	Multi-Party Training Plan
MSSC	Mineral Sector Steering Committee
NAD	Northern Administration District
NDA	Northern Development Accord
NDBC	Northern Development Board Corporation
NDF	Northern Development Fund
NDMF	Northern Development Ministers Forum
NEDA	Northeast Economic Development Association
NLMC	Northern Labour Market Committee
NMMS	Northern Mines Monitoring Secretariat
NRB	Northern Review Board
NRCan	Natural Resources Canada
NWRDC	Northwest Regional Development Corporation
NTFP	Non-timber Forest Products
NTTT	Northern Saskatchewan Tourism Task Team
NWCWP	Northwest Community Wood Products
NWRDC	Northwest Regional Development Council
PPAC	Provincial Planning and Accountability Committee
RDC	Regional Development Corporation
SAFRR	Saskatchewan Agriculture, Food and Rural Revitalization
SE	Saskatchewan Environment
SIR	Saskatchewan Industry and Resources
SNA	Saskatchewan Northern Affairs
TMC	Tripartite Management Committee
WD	Western Economic Diversification Canada
WWRDC	Woodlands and Waterways Regional Development Corporation